MSC BRIEFING

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30 HARCH 1955

SOVIET CAMPAIGN AGAINST WEST GERMAN REARMAMENT

- Now that France and Germany have at last ratified the Paris Accords, the Soviet campaign to block West German rearmament has entered a new phase.
 - A. While still insisting that ratification of Accords has made talks on Germany impossible, Moscow has inserted a new element in its campaign an apparent willingness to talk on Austria.
- II. Eremlin may see an Austrian treaty as a means of preventing German rearmament.
 - Went"--on the condition that Mustria observe strict neutrality--in an effort to what West German appetites for a similar "settlement" there.
 - No Communists are already pushing the story that what Moscow really wants is a protective bell of neutral states on its western frontier, from Sweden through Germany and Austria to Tugoslavia.
 - B. Too early, now, to may just when the possible gain in Germany will make the Kremlin pay the price of an actual agreement on an Austrian Treaty.
- III. Even while "settlement" still emity in talk phase, USER hopes to exploit Austrians' keen desire for treaty by fercing them

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ties with Bonn.

- A. Immediate Eremlia aim is to get very firm commitment to mentrality from Austrian leaders in April visit to Moscow.
- B. Moscow also wants right to sent troops back into Austria 12" it sees "direct threat of an Anschluss".
- IV. Meanwhile, in order to convince Vestern Europeans of the futility of rearning West Germany, the Seviet Union is publicizing increase in Orbit security measures (first announced at Moscov conference last December).
 - A. Soviet bloc states have announced (21 March) agreement on a nutual aid treaty and a unified command.
 - 1. Say these will take effect when Paris accords completely ratified.
 - 2. Would include Soviet Union and all East European Satellites.
 - B. Important to suphasize that such arrangement would provide ready-made excuse fermaintenance Soviet forces in Hungary and Rumania.
 - 1. Thus, one minor obstacle to Austrian Tweaty (from Soviet point of view) would no longer exist.



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- C. East Germans have jumped gun and announced that emphasion of ratification by Bonn has forced them to take "defense measures" now.
 - However, previous East German statements suggest formal creation of armed ferces likely to await actual establishment West Germany army.
- D. Satellites announcing increases in defense speding--Czechoslovakia (34%), Poland (12%).

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LIZATION" CAMPAIGN

- I. With long-last French, German ratification Paris Accords, Soviet campaign to block West German rearmament has entered a new phase.
 - A. While still insisting Accords action has made talks on Germany impossible,

 Moscow has produced new element—

 apparent willingness to talk on Austria.
- II. Kremlin may see an Austrian treaty as a means of preventing German rearmament.
 - A. Now plugging possibility of Austrian "settlement"--on condition Austria observes strict neutrality--in effort to whet West German appetites for similar "settlement" there.
 - Moscow really wants is protective belt of neutral states on western

frontier (from Sweden through pproved For Release 2003/03/28; CIA-RDP79R00890A000500030061-2
Germany and Austria to Yugoslavia).

ble gain in Germany will make Kremlin
pay price of an actual agreement on
Austrian treaty.

- III. Even while such "settlement" still only conversation, USSR hopes exploit Austrian hopes by forcing them forego such links with West as NATO or close ties with Bonn.
 - A. Immediate Kremlin aim--very firm commitment to neutrality from Austrian leaders
 (April trip to Moscow).
 - B. Moscow also wants right to send troops back into Austria if "direct threat of Anschluss" seen.
- IV. Meanwhile, in order to convince Western
 Europeans that rearming West Germany is
 futile, Kremlin is publicizing increase in
 Orbit security measures (first announced
 at Moscow conference, Dec '54).
- A. Soviet Bloc states have announced (21

 March) nutual aid treaty, unified Bloc

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- Would include Soviet, all E. E. Satellites.
- B. Arrangement would provide ready-made excuse for maintenance Soviet forces in Hungary, Rumania.
- C. East Germans have jumped gun, announced that ratification by Bonn has forced them to take "defense measures" now.
 - 1. However, previous statements suggest formal creation East German armed forces likely to await actual establishment West German army.
- D. Satellites announcing increases in defense spending--Czechoslovakia (34%),
 Poland (12%).

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